

I.M.E.

“I am waiting to obtain refugee status – the key to the world”
(An asylum seeker in Bulgaria)

**THE ECONOMIC AND SOCIAL IMPACT OF REFUGEES ON THE HOST
COUNTRY: BULGARIA**

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SUMMARY

The objective of this report and the surveys upon which it is based is to help rethink the role of refugees in Bulgaria and other societies. The Bulgarian government has just adopted and is currently implementing a new legal framework for dealing with refugees. This report takes Bulgaria as a model country and aims to assess the impact of asylum seekers and refugees. As one of the few such reports written, and the first for Bulgaria, it is focused on the identification of costs related to refugees as they apply to the refugees themselves, to government institutions (not only those that deal exclusively with refugees but also those that have more or less remote input to the refugee process), and to non-governmental and international organizations.

Bulgaria is a fitting sample country in which to start monitoring the impact of refugees: it had not had recent migration waves at the time of the wars in the former Yugoslavia and the Kosovo crisis; its number and flow of refugees is easy to observe; the country recently adopted a more comprehensive legal framework on refugee policy, which is in its implementation phase; and this is a convenient moment at which to derive lessons and rely on the currently positive attitude to the issue on the part of the authorities.

The estimated total costs related to refugees in Bulgaria in 1999 were BGN 10,234,599, or USD 5,685,888. These costs are 0.046 % of estimated 1999 GDP. The government does not fully support the refugees. External donor assistance amounts to approximately 11% of the total costs of hosting refugees and asylum seekers. If our calculations are correct, the self-financing of refugees for 1999 was USD 3,866,667, or 68 % of the total costs.

The country cannot influence the circumstances that lead to the influx of refugees. What remains to be done is to adjust policies in order to ensure a common benefit from these developments.

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RATIONALE

At the end of this century we are witnessing developments in the very foundations of the refugee flows in Europe and elsewhere. Wars, as well as ethnic, religious and tribal conflicts, are still the key events that move people from country to country and around the globe. But beneath these explosions of refugee waves, there is a current determined by the more routine work of economic and security forces.

Not only the economy and trade but economic life itself as it is being practiced by millions of people has become international, with limited impact from nation-state boundaries and with a growing quest by capital and labor to make use of the best available opportunities as they emerge. National governments and international institutions are more reluctant to amend their respective labor market and social welfare systems than they are to facilitate global capital flows. To some extent this is due to the nature of things: capital movement is already accomplished digitally, while human beings move physically. To some extent, however, it is the degree to which policy is adhered to which matters.

We also need to comprehend all of the consequences of the shift from territorial security to the security of human beings within various territories. When the security of people is endangered anywhere in the world, all nations are likely to get involved. Famine, disease, pollution, drug trafficking, ethnic cleansing, religious conflicts or social and political disintegration are no longer isolated events, confined within national borders. Their consequences travel the globe, and some of those are great and small influxes of refugees.

As a result, host countries take the responsibility for accepting refugees and helping them find their way further. While building a legal framework for tackling refugee issues, the host country suffers all the consequences stemming from the influx of refugees. Many problems related to refugees, such as their legal protection, social support for them, and their integration into the local society, have received considerable attention and have been intensively and extensively discussed. The impact of the presence of refugees on the economy of the host country, however, has not been considered.

LEGAL BACKGROUND

The legal status of refugees and asylum seekers is regulated by the Geneva Convention of 1951 and the 1967 New York Protocol. According to these international documents, the internationally accepted definition of a refugee is the following: a person who, due to some events that have happened earlier, is afraid of persecution based on race, religion, nationality or membership in a particular social group or political convictions, who is outside his/her country of permanent residence, and for these reasons is neither able nor willing to avail himself of the protection of that country, nor to return to it.

Persons whose situation corresponds to the conditions laid out in the 1951 Geneva Convention Relating to the Status of Refugees and 1967 New York Protocol are recognized as refugees. Persons who apply for refugee status after having been abroad for some time are refugees “*sur place*” (when they left the home country they were not asylum seekers but the conditions in their country have deteriorated and they are afraid to go back). The Geneva Convention and the 1967 New York Protocol regulate the rights and duties of asylum seekers and refugees in the asylum country. Asylum seekers and refugees have the right to: asylum, protection from discrimination, free exercise of religion, personal status, applying for jobs, association, personal labor initiative, housing, medical care, social support, education and access to courts.

Bulgaria ratified the Geneva Convention and the 1967 New York Protocol on April 22, 1992, and they came into force on August 10, 1993 and May 12, 1993, respectively. According to Art.4 and 5 of the Bulgarian Constitution, international documents ratified in Bulgaria become part of domestic legislation and take precedent over any national laws that are not in compliance with the international documents.

The National Bureau on Territorial Asylum and Refugees (NBTAR) was founded on November 1, 1992, by Council of Ministers Decree ¹ 207. NBTAR was transformed into the Agency for Refugees on August 1, 1999. NBTAR is responsible for the legal and administrative defense of refugees. On August 1, 1999, the Refugee Law came into force in Bulgaria. Under this law, refugees' rights are guaranteed and Bulgaria carries out its responsibilities pursuant to the international documents.

Humanitarian protection is granted to refugees who were forced to leave the country of origin because of war conflicts, civil violation and so on. It is granted for one year and can be prolonged for up to one additional year.

Recognized refugees have the same rights as Bulgarian citizens, with the exception of: the right to vote and to be elected, to join the army, and to take a post in the state administration.

Bulgaria has signed readmission agreements with Denmark, Germany, Greece, Spain, Switzerland, Poland, Lithuania, France, Portugal, Slovakia, the Czech Republic, Sweden, Hungary, Norway, Finland, Austria and Italy. Agreements with Slovenia, Belgium, Netherlands and Luxembourg have been signed but are not in force yet. According to these bilateral agreements, foreigners who do not enter on legal grounds can be returned back to the territory of the country from which they have come. In practice, Bulgaria is taking back foreigners who were in our country and went illegally to another country, in accordance with the readmission agreements.

Protecting and assisting refugees is primarily a government responsibility. Signatories to the 1951 Convention are legally obliged to protect refugees according to the terms of the Convention without discrimination as to race, religion or country of origin, and to respect fundamental protection principles, such as *non-refoulement* and *non-expulsion* (which non-signatories to the Convention are also obliged to respect). Since refugees rarely have time to prepare documents or obtain visas before they seek asylum, signatory States may not penalize refugees for illegal entry into their territories, provided the refugees “...*present themselves without delay to the authorities and show good cause for their illegal entry or presence*” (Article 31).

BULGARIA AND THE CONVENTION

Immediately following ratifying the 1951 Convention in 1993, the Bulgarian State authorities were practically unprepared to meet its requirements and there was space for a lot of violations. In such a situation the minimal guarantees for the protection of refugees could only be assured by United Nations High Commissioner for Refugees Liaison Office in Bulgaria (UNHCR Bulgaria) and its implementing partners – the asylum-related NGOs in Bulgaria. As it is known, the UNHCR is a non-political, humanitarian agency, whose mandate is to provide international protection to refugees and promote durable solutions to their problems. It does so by working with Governments and, subject to approval of the Governments concerned, with private organizations.

The Statute of the UNHCR, adopted in December 1950, calls on the High Commissioner for Refugees to provide for the protection of refugees by, among other activities, establishing contact with “private organizations” (now known as non-governmental organizations, or NGOs) dealing with refugee questions and helping to coordinate the efforts of private organizations concerned with the welfare of refugees (Chapter 2, No.8, sections H and I).

Since the protection activities of NGOs follow the protection principles and practices of the UNHCR, it's worth shortly mentioning what they include:

- promoting the ratification and implementation of refugee conventions and laws;
- ensuring that refugees are treated in accordance with recognized international standards of law;
- ensuring that refugees are granted asylum and are not forcibly returned to the countries from which they have fled;
- promoting appropriate procedures for determining whether or not a person is a refugee according to the 1951 Convention's definition and the definitions found in regional conventions;
- assisting refugees in finding solutions to their problems, such as voluntary repatriation, local integration or resettlement to a third country;
- helping reintegrate refugees when they go home; and
- providing protection and assistance, when asked to do so, to internationally displaced persons.

Apart from these activities, the Liaison Office of the UNHCR and asylum- and migration-related NGOs in Bulgaria – the Bulgarian Red Cross, the Bulgarian Helsinki Committee and the Future Foundation – have an important role to play as mediators between victims of trafficking, law enforcement agencies and other government agencies.

POSITIONING BULGARIA IN THE REFUGEE FLOWS

This report takes the Bulgaria as a model country to assess the impact of asylum seekers and refugees on the host country. As a sample country, Bulgaria has the advantage of having recently changed the legal environment concerning refugee and asylum seeker status. The number of all registered asylum seekers and refugees is relatively small (3,700 people for both categories combined). Equally important is the fact that Bulgaria, despite the changing international circumstances in 1999, such as the Kosovo crisis, has remained virtually unaffected by the refugee wave, while the crisis provoked an intense public debate and attempts to

elaborate a more informed understanding and a more sophisticated vision of the possibility of a refugee influx and its provisional impacts. The abovementioned general developments in the origins of refugee flows are better to be observed in Bulgaria: the underlying currents of refugees are not motivated by any extraordinary event or crisis.

Most, if not all, EU member states and Central East European countries involved in the EU accession process, have become countries of immigration. Bulgaria is not an exception. What makes a country an immigration country is precisely its declared policies, based on needs, interests and humanitarian obligations. These needs and policies can vary over time, and there is a necessity to accordingly adjust conceptual, legal and institutional frameworks. In addition, they are part of an international constellation of circumstances and commitments. Evidence of international recognition of this necessity is the debate that has recently been gaining momentum on the need for a common set of EU immigration policies.¹ The perspective of the individual non-EU countries that constitute parts of the EU-immigration routes needs to be established and communicated as a segment of the common solution to common challenges.

Against this background it's hard to expect that Bulgaria as a host country would have a positive, or receptive, migration policy, when Bulgarian citizens are often victims of restrictive EU migration policies. The different implications of this lack of migration policy are various:

- there is a hierarchy of restrictive attitudes toward refugees and migrants legitimated by a *quid pro quo*, e.g.: if "the West" is restrictive against "us", then "we" have the right to restrict others;
- both asylum and immigration policies do not receive either popular or proper institutional support in Bulgaria; and
- only asylum-related NGOs financed by external donors can break the vicious circle, providing services to stranded migrants who are staying in the country anyway.

Clear immigration policies could clarify the differences between asylum and immigration. The main objective of refugee policies is the protection of persecuted individuals. Immigration policies aim to accommodate labor markets and demographic needs and to arrange for family reunion. Even if one pretends that it's not of interest to the country, an unregulated and often irregular migration flow is a fact that needs to be addressed. Similar to the ways in which trade liberalization is accompanied by the application of trade rules and regulations, a migration regime should be established to manage the voluntary movements of persons. A comprehensive foreign policy should address the issue of forced migration. The asylum institutions in Bulgaria and in Europe would benefit from such policies, since part of the problem is lack of a balanced common immigration policies all over Europe.

At the same time, Bulgaria is a fitting sample country in which to start monitoring of the impact of refugees: it had not had any recent migration waves, even at the time of the wars in the former Yugoslavia and the Kosovo crisis; the number and flow of its refugees is easy to observe; the country recently adopted a more comprehensive legal framework on refugee policies, which is in its implementation phase; and this is a convenient moment for deriving lessons and relying on the currently positive attitude to the issue on the part of the authorities.

PRELIMINARY DEMOGRAPHICS

It is likely that many of the most significant migration flows are not fully recorded because they are either of a very short-term nature, or they mainly concern persons who work in the informal economy.

In 1998, the number of people who attempted illegal border crossing into Bulgaria was 2,651.² In 1997, the number of persons refused entry at the border was 22,000, according to the International Organization for Migration's report for 1999. The number of returned undocumented migrants during the same period was 526 people, 18 of them under readmission agreements.

METHODOLOGY

The research that provided the material for this report covers the period of the calendar year 1999, with the legal practice before the enforcement of the new Refugee Law (RL), when the old regulations were still in force, and the first months after implementation of the Refugee Law.

The costs of hosting refugees are assessed on the basis of the present practice, and new approaches have been given in compliance with the RL. The assessments were made on the basis of the direct costs of all

¹ Tampere meeting of October 15-16, 1999.

² See the International Organization for Migration's 1999 Report.

refugee-related institutions and NGOs and also the estimation of costs of working hours as percentage of total working hours. Our intentions were to track, where it was possible, both the “visible” costs and those which are not so visible, as they appear throughout the stages of the refugee integration process.

The preliminary assumption was that when thinking of refugee issues in Bulgaria, the first budget to come to mind is that of Agency for Refugees (AR), plus the contribution on the part of the UNHCR. Besides the costs to government institutions, which are easy to trace, contributions from NGOs and the refugees themselves are rarely taken into account. This also holds for the costs of government agencies that provide refugees with services of general, not specifically designed for asylum seekers, character.

The costs are given in US dollars and Bulgarian leva (BGN), and the average exchange rate for the period used in all calculations was BGN 1.8 per 1 USD.

The research is based on interviews with:

- the government-authorized body responsible for the refugee status determination procedure: the Agency for Refugees (AR);
- Border police officials at Haskovo and Petritsch, which are major entry and exit checkpoints, with Rousse and Varna checkpoints used for reference;
- Future Foundation transit centers;
- the Bulgarian Red Cross;
- the Bulgarian Helsinki Committee;
- hospitals;
- schools;
- landlords, and
- asylum seekers and refugees.

When presenting the results below, we divide the costs according to their origin and institution. We have a government institution, AR, whose specific duty deals only with refugees, and institutions that provide services to refugees due to the fact they provide services to everybody (hospitals, schools, employment bureaus, etc.). There are costs necessitated by the refugee process but not taken into account as a specific refugee cost, e.g. costs of training the administration. Where possible we take these costs as part of the total costs as well. The costs of non-governmental and international organizations (UNHCR) are also taken into account. And last, but not least in terms of importance, are the costs of the process covered by the asylum-seekers themselves.

We conducted 200 interviews, 130 of them with asylum-seekers and refugees. The questionnaires were designed to reflect the peculiarities of the respondents, and thus there were three:

- a governmental institution questionnaire;
- an NGOs questionnaire; and
- a refugee questionnaire.

The general logic of the questionnaires was based on the case study of a refugee, which is outlined below.

To avoid misinterpretation due to differing knowledge of legal details on the part of the interviewees, foreign citizens who apply for asylum were called “refugees” during both stages: the refugee status determination procedure and the granting of refugee status as legally recognized refugees. In the interpretation, however, in order to make clear the difference between those refugees who are in procedure and those who already possess refugee status, we shall define the first category as asylum seekers and the second as refugees. According to the RL, all foreign citizens registered with the AR are “refugees” and we use the same terminology.

In addition to interviews, we have studied the available documentation and government acts that provide information on refugee-related costs in Bulgaria.

CASE STUDY OF A REFUGEE IN BULGARIA

Refugee entry scenarios

According to the Geneva Convention, the asylum seeker leaves his or her country because his/her life is in danger and for this reason he/she seeks entry into a safer country.

The entry into the country of refuge can be legal or illegal.

When crossing the border legally, the asylum seeker comes to the border crossing point and states that he/she desires asylum in the respective country. Border officers may decide to turn the foreigners back and not allow them to enter the country. Another possibility is that they may be detained by the border officers. The asylum seeker usually does not have

any documents, or has false ones. He or she speaks his/her native language or some common language. If it is necessary, border officers ask officials from the Agency for Refugees to come and interview future asylum seekers.

While waiting to be interviewed, the provisional asylum seeker is kept in the detention rooms of the Regional Border Services, or, if there are no such rooms, in the border guards' rooms. Those asylum seekers who have no documents are sent to the Center for the Temporary Detention of Adults in the Druzhba Region of Sofia.

Most asylum seekers cross the border into Bulgaria illegally. If this is the case, there are three different options:

- the asylum seekers are detained at the border while they are trying to cross the border (in these cases asylum seekers are detained at the RBS and they are transported to the transit centers of the Future Foundation);
- the asylum seekers go to the Agency for Refugees themselves;
- asylum seekers go to their friends and do not apply for registration at AR unless a problem occurs.

Registration of the asylum seeker

The Agency for Refugees is the government body authorized to make decisions about the granting of refugee status and asylum in the Republic of Bulgaria. Upon coming to the Agency, asylum seekers are registered and a refugee status determination procedure is opened. According to the RL the application for refugee status can be submitted to the Agency's territorial structures, regional border services, regional passport and visa departments of the Ministry of Interior, or the diplomatic and consular authorities. The authorities interview the asylum seekers and write a report. If the competent bodies do not find the application to be manifestly unfounded, they issue a free travel document. Asylum seekers must go to the Agency for Refugees within a 24-hour deadline. All of the documents and the report are sent to and stored in the Agency's individual file. At the Agency the asylum seeker is examined by a doctor and is blood tested. All asylum seekers receive a temporary refugee identity card, the validity of which is prolonged every three months, if necessary. They also receive a Beneficiary Card, on which all assistance given to them is registered. Some asylum seekers who cross the border illegally come in at this stage of the refugee process, skipping the border police and Future Foundation transit center steps. Those have already been in the country for some time and later decide to apply for refugee status also appear at this stage.

Housing

Asylum seekers are accommodated in the AR dormitory in Sofia or the AR Reception Center in Banya, as well as private houses and apartments. Rent for the accommodations are paid to the landlords by the Agency for Refugees each month.

If the asylum seeker wants to rent an apartment on his/her own, he or she must inform the Agency about the details of the change in his/her address.

Unaccompanied minors are accommodated in the AR dormitory.

Refugee status determination procedure

There is an Interviewing Department at the Agency for Refugees where competent interviewers examine asylum applications, consider the country of origin information and apply it to the individual file and write a suggestion for a decision. No later than two months after the procedure's opening, the Head of the Interviewing Department must prepare a report about the asylum application and give it to president of the AR and its attorneys. The president of AR must make the decision as to whether to grant refugee status within one month. The possible decisions are:

- **granting refugee status** – the asylum seeker who is granted refugee status has rights equal to those of Bulgarians. The Agency for Refugees stops paying rent and monthly financial support for the recognized refugees and they can register at the Regional Labor Bureaus and Social Services or they are supported by Bulgarian Red Cross projects.
- **rejection of refugee status** – the asylum seeker has the right to appeal the AR decision (Art. 65 of RL) before the Supreme Administrative Court (SAC). After final rejection the foreigners must leave the country no later than 15 days after the stated decision.
- **procedure is discontinued** – the president of the AR discontinues the procedure for granting refugee status due to: voluntary return to the home country, voluntary discontinuation of the refugee status determination procedure, or disappearance during the procedure.

Social adaptation and integration

Those recognized as refugees and asylum seekers who are living in the country should be integrated into the society. The AR has a Social Adaptation and Integration Department, which organizes language courses and vocational training for asylum seekers and refugees.

Entering the host country

The interviews conducted with asylum seekers and refugees in Sofia, Plovdiv, Varna and Haskovo indicate that the majority of them (52.5%) did not know anything about Bulgaria or Bulgarian legal practice and openly declared being in the country by accident or by mistake. In fact, they are detained by the Bulgarian authorities when crossing the country en

route to the promised land of Western Europe – i.e., most of the refugees in Bulgaria become refugees only when immigrants are detained at the Bulgarian border or are captured in the country without documents. In fact, it is likely that many people start their *refugee career* in Bulgaria as the result of an accidental constellation of events: their primary goal is the European Union, but on their way they are stopped for illegal passage by the authorities in a transit country, and, provided that the opportunity to return to their motherland is limited, they become asylum seekers. Some 39% of the respondents reported having had some preliminary information about how the Bulgarian government treats refugees before they encountered any Bulgarian authorities.

A smaller part of the asylum seekers interviewed (16%) had lived in the country as students – most often studying medicine or engineering,³ and had only recently applied for refugee status. Others had started businesses here and then decided to remain in the country. Another source of refugee applications is that of immigrants who have succeeded in crossing the border illegally.

As a general conclusion, we think that empirical data we collected reveal a coincidence of two factors motivating asylum seekers: they come because of being endangered in their home-country, so they are eligible for provisional refugee status granted in accordance with the Convention; on the other hand, the country in which they are stopped for illegal passage might be an accidental one, e.g. Bulgaria or any other country on the general migration route. It is likely that the sooner Bulgaria improves its own standard of living and broadens its prospects for prosperity, the sooner it will become a core immigrant destination.

So, how do refugees get here?

There are two scenarios that refugees follow when coming to the host country:

- if detained at the border, refugees go through the scenario of the Future Foundation Transit Centers – the registration scenario – their entry is registered by the border police;
- if not detained at the border, the asylum seekers enter the country and remain unnoticed until some problem occurs (breaking laws, attempting to leave illegally, deciding to legalize residency, to come out into the daylight, etc.) – the non-registration scenario.

Demographics of refugees

There were 3,700 asylum seekers and refugees registered by the first half of 1999, or 0.046% of the whole Bulgarian population. Male asylum seekers and refugees account for 2/3 of the total number of refugees and asylum seekers, while there are about 700 each of women and children.

In a regional context the basic groups of asylum seekers and refugees originate from Afghanistan, Iraq and Yugoslavia, accounting for 3/5 of the total, and next come groups from Iran and Turkey (as a transit country).

According to the Agency for Refugees data, the religion breakdown of the refugees in the country is characterized as 80% Muslim and 20% belonging to different religious affiliations.

The age structure of the refugee flow shows that the majority of people (45% of all refugees) are between 31 and 40 years old. The next group consists of people from 21 to 30 years (38%). This is to say that the two prevailing age groups consist of people of working age whose labor-force integration is essential to their making a living; i.e., refugees' integration in the work force can be viewed as a vital necessity, especially when they intend to settle permanently in the country. Some refugees have their own funds available to cover their living expenses, but even in such cases the issues regarding their employment and social integration still remain.

From the point of view of employment integration and adaptation, the quality of the incoming potential work force is of essential importance. The available data shows that refugees' education level is relatively good: 39% of the recognized refugees have higher education; 54% have secondary education and 5% have only primary education. The prevailing share is that of people possessing secondary or higher education. Hence the expenses for training refugees who apply for refugee status and intend to settle permanently in Bulgaria will be oriented mainly toward Bulgarian language courses. It should also be considered that part of the applicants are people who have completed their higher education in Bulgaria, which makes training in the language unnecessary and in turn reduces the overall costs for language training. In fact, the important issue in this respect is the existing market situation and especially the specific labor demand and the degree to which the latter can meet the needs of refugees, in accordance with their education and qualification.

The 130 interviews reviewed the following occupational structure of the sample:

Table 1. Professional Structure of Refugees in Bulgaria

Type of profession	Number of persons	Percentages
Merchants	7	7.6
Military	1	1.0
Students/Schoolchildren	9	9.9
Salespersons	8	8.7

³ When a foreign citizen graduates from the Sofia Medical Academy, he/she has the same legal grounds to start professional experience as when graduating from European Universities.

Teachers	4	4.3
Agronomists	2	2.1
Journalists	3	3.4
Tailors	2	2.1
Engineers	6	6.5
Other (mechanics, technicians, hairdressers, bakers, butchers, musicians, surgeons, designers, physicians)	11	11.9
Without any profession	39	42.5
Total	92	100.0

DESCRIPTION OF EMPIRICAL FINDINGS OF THE COSTS OF ALL INSTITUTIONS INVOLVED IN THE REFUGEE SCENARIO

COSTS OF GOVERNMENT INSTITUTIONS

Regional border services' costs for serving asylum seekers

The first government institution provisional asylum seekers encounter is the Border Police. We collected data from five Regional Border Services (Petritch, Lubimetz, Rousse, Varna and Sofia airport) about their costs incurred in serving future asylum seekers. There is no special RBS budget for serving asylum seekers but their duty is to provide food, medical assistance and everything needed for a 24-hour stay at least. All of the RBSs interviewed have similar cost structures regarding asylum seekers.

Table 2. Border Service costs

Border crossing points	Petritch RBS	Kapitan Andreev o	Rousse	Varna	Sofia Airport
Annual number of asylum seekers serviced	500	50	50	50	10
Annual costs of serving asylum seekers in BGN	50,000	12,000	1,500	12,000	600
UNHCR donation in 1998 in USD	1,140	5,220	4,580	0	1,590

In 1999, there was no specific item in the RBS budget to reflect the costs of dealing with provisional refugees. The table above is compiled from estimates by the teams and then confirmed by the RBS officials. The total costs at the five RBSs appear to be BGN 76,100 (or USD 42,278) from the central budget. The UNHCR contribution of a little more than 25% of the central government's costs are for expenses for equipment and consumables.

AGENCY FOR REFUGEES

The Agency for Refugees (AR) is the government body authorized to grant asylum in Bulgaria. It is the transformed National Bureau for Territorial Asylum and Refugees (the Bureau). The Bureau was founded in 1992. The AR is responsible for financing all of the steps of the procedure, i.e. from the registration to the enforcement of the chairman's decision (whether to grant refugee status or reject it), and its budget is part of the central government's budget. The Agency for Refugees is a central budget-funded legal entity under the Council of Ministers.

According to the RL, the Agency's structure consists of a central office, transit centers, registration centers, receiving centers and integration centers. The AR is represented by a chairman, who has two deputies and a secretary. Currently, the AR is not yet structured in compliance with the RL.

From 1993 until mid-1999 there were 3,678 asylum-seeking persons from 58 countries or without citizenship registered (780 of them children). A total of 1,935 decisions were made, with 524 persons granted refugee status, 376 persons granted humanitarian status, 261 persons' applications rejected, and 774 cases discontinued.

The following table shows the dynamics of the registered refugees and the decisions taken to determine their status.

Table 3. Asylum seekers and asylum status decisions (1993-1999)

Year	Number of applicants	Number of decisions, including humanitarian status, rejections, refugee status
1993	276	0
1994	561	0
1995	451	142
1996	283	212
1997	416	292
1998	834	442
1999	3,665	2,153

The table proves that the institutional response to the refugee problem in 1998 and 1999 was more than appropriate. Since the Bureau was established, the efficiency of its decision-making has shown visible improvement. Most remarkable is the right-side column: while the number of applicants doubled between 1997 and 1998, the authorities' decisions almost doubled as well, thus equalizing the pace of decision-making with the influx of asylum seekers. Besides the fact that pending decisions remain significant, this is an indication of congruency between the numbers seeking refugee status and the speed of decision-making, while the efficiency of the latter only improved the following year.

There are 1,743 "pending" cases. Currently, these persons are supported and sheltered by the Agency for Refugees. This number is conditional, because there are cases appealing negative AR decisions. On the other hand, there are asylum seekers who have since disappeared. Some of them left the country. The numbers of registered cases are as follows: 122 in 1996, 87 in 1997, or 21% of the asylum seekers listed the with AR. We did not have reliable data, so we considered the number of AR health-insured asylum seekers as the most correct list. The number of such persons was 1,000 as of the first six months of 1999. Further evidence of efficiency is shown in the fact that the number of registered asylum seekers in the first half of the year was about 200 people fewer than the number of decisions taken in the period, while in the previous years the former usually outnumbered the latter almost by a factor of two. Of course, since negative decisions and some procedures are being appealed, those appealing actually *de facto* still remain asylum seekers.

Table 4. AR direct subsistence budget (Sofia office and Banya center, 1999)

	Annual costs at Sofia Central Office, in BGN	Annual costs at Banya Reception Center, in BGN	Sofia costs in USD	Banya costs in USD
Registration, photos, Interpreters	67,025	2 975	37,236	1,652
Housing	72,663	0	40,368	0
Food	288,117	31,695	160,065	17,608
Health insurance	20,232	0	11,240	0
Medical care	9,097	903	5,054	502
Social support	19,500	1,800	10,833	1,000
Language courses	212	728	118	404
Vocational training	0	0	0	0
Education	0	784	0	436
Social adaptation	0	0		
Electricity, water, heating, repairs	165,000	11,000	91,667	6,111
Total	641,846	49,885	356,581	27,714

The combined budget for the direct costs of the Sofia and Banya centers is BGN 691,732, or USD 384,295. The figures in the table speak for themselves: direct physical needs and utilities consume over 90% of the budget. For this reason, perhaps, there is a demand for adjustment services provided to refugees by NGOs and the UNHCR.

Table 5. Administrative costs of Sofia and Banya centers in 1999

Administrative costs	Sofia Reception Center, in BGN	Banya Reception Center, in BGN	Sofia in USD	Banya in USD
Salaries	207,253	41,977	115,141	23,321

Maintenance costs for office and dormitory building; incl. water, electricity, heating	166,000	11,608	92,222	6,449
Administrative costs: phones, fax, supporting materials	37,433	11,971	20,796	6,650
Auto maintenance: insurance, spare parts, etc.	55,200	5,249	30,667	2,916
Long-term assets	308,988	1,254	171,660	697
Business trips in the country	2,709	1,291	1,505	717
Business trips abroad	25,540	0	14,189	0
Staff training	700	100	389	56
Guards	67,585	46,415	37,547	25,786
Other		7,150	0	3,972
Total	871,408	127,015	484,116	70,564

It is clear that average direct subsistence cost per asylum seeker at the Sofia Central Office is 641.846 BGN (USD 365.58) per annum (641,846 BGN/1000 asylum seekers).

The total direct and administrative costs of the Sofia center are BGN 1,513,254 (USD 840,697) and those of Banya are BGN 176,900 (USD 98,278). Administrative costs comprised almost 59% of the entire Sofia budget in 1999. The average total cost per asylum seeker was BGN 1,690.154 in 1999. In Banya, administrative costs were 72% of the total budget of the center, and annual costs per asylum seeker were BGN 5,307 (USD 2,948). There is little background to speculate on the rationality of concrete items in the administrative budgets. The total number of full-time employees, in Sofia and Banya combined, is 95.

MEDICAL CARE AND ASSISTANCE FOR ASYLUM SEEKERS AND REFUGEES

Medical assistance for asylum seekers and refugees is guaranteed by the RL, Article 25, which grants the rights of social support, free psychological assistance, health insurance, accessible medical assistance and free-of-charge medical treatment within the limits set for Bulgarian citizens. Before the RL's enforcement, asylum seekers' medical care used to be guaranteed by the National Health Law (NHL). The NHL Articles 3 and 28 declares that citizens have the right to free-of-charge emergency and psychological assistance. Article 27 states that foreign citizens and stranded migrants with permanent residence permits have the right to the same medical assistance as Bulgarian citizens.

The 1994 Ordinance for Granting Refugee Status envisages free-of-charge medical assistance for asylum seekers. The AR's employees have shared their difficult experience in implementation of the legislation regarding medical assistance for refugees: asylum seekers and refugees were treated as foreign citizens by hospitals' administrations and were asked to pay for the services. The issue was solved by the nomination of a limited number of hospitals. The current shape of hospital accounting does not allow for concrete information from the balance sheets. For this reason, the estimated total medical costs are derived by a stylish calculation of prices and on assessments from indirect sources.

Table 6. Estimation of total medical costs

Institutions and Hospitals	Total costs in 1999 in BGN	Total costs in 1999 in USD
IHE and Regional Hospitals for initial tests	47,939	26,633
AR budget	9,097	5,054
Reception Center Banya budget	903	502
General Hospital in Nova Zagora	488	217
VI General Hospital - Sofia	2,632	1,462
TMI - Sofia	2,982	1,656
Hospitalized cases at TMI	20,520	11,400
Pediatric Departments	3,500	1,944
UNHCR financial help to: Future, BRC and AR	63,000	35,000
Total	151,061	83,923

These total costs do not include gynecologist, obstetrician or polyclinic visits. The total number of patient visits at VI General Hospital in Sofia was estimated to amount 600 people, and the average cost of one

patient's visit was BGN 4.39 (USD 2.44). The total cost of serving refugee patients at TMI was BGN 23,502 (USD 13,056); combined with the costs of the VI General Hospital these costs total BGN 26,134 (USD 14,519). The number of patient visits and hospitalized cases was 440 people and the average cost of one case was about BGN 54 (USD 30). If we include other medical institution costs and the contribution of the UNHCR, the total cost of medical services to asylum seekers in 1999 are estimated to have reached BGN 151,061 or USD 83,923.

EDUCATION OF ASYLUM SEEKERS AND REFUGEES

According to the RL (Article 25, Paragraph 5), during the procedure for granting refugee status the applicant has the right to continue his/her education until graduation from secondary school, in accordance with the procedures and conditions established by the AR and the Ministry of Education. The Ministry of Education and the Agency for Refugees share the responsibility for the enrollment of asylum seekers (and respectively of their children) in primary and secondary schools. Recognized refugees shall enjoy equal rights to education with all Bulgarians. Children of asylum seekers and refugees are entitled to free-of-charge primary and secondary education in public schools. Recognized refugees are supposed to pay only the amount which Bulgarian students would pay, not the higher fee for ordinary foreigners, though this is often not known to the academic institutions. Those refugees who came to Bulgaria as university students before 1989 and only later applied for refugee status and were recognized as refugees *sur place* due to a deteriorating political situation in their country of origin (in particular, refugees from Afghanistan) were partly allowed to finish their education, free of charge or with minimal fees, in order to graduate. UNHCR Bulgaria has provided 20 particular talented refugee students with scholarships for university and supported children with notebooks and other materials for the school year. According to the data given by the accountant at Sofia School 121, the average nine-month maintenance of a pupil from 1-8 grade, is 200 BGN.

If the pupil is enrolled in a private school, the one-year school fee is around USD 1,500-2,000, including the food at school and transport.

Estimation of the total education costs:

Table 7. Costs of refugee education

Schools and kindergartens	Total costs in BGN	Total costs in USD
School costs	20,400	11,333
Kindergarten costs	12,420	6,900
BRC financial support	26,568	14,760
DAFI program	56,993	31,663
Total	116,381	64,656

The teachers interviewed testified that the number of asylum seeker-pupils in schools is not constant. Most of them visit schools for one year and then leave. School authorities have no background information on their previous schooling and future education plans.

Bulgarian pupils' tuition is covered by the state budget, as is that of refugee pupils. The average monthly allowance per pupil is BGN 22-23 (USD 12-13). The refugee children first study Bulgarian and then go to regular schools. In the 1998/1999 school-year, the total number of refugee children identified by the Bulgarian Red Cross in primary and secondary schools was 102. In the kindergartens there were 45. The annual costs of education for these pupils totals 20,400 BGN (USD 11,333), or 102 pupils x 200 BGN, and for the kindergartners BGN 12,420 or USD 6,900 (45 children x 23 BGN x 12 months).

The following difficulties in tutoring asylum-seeker pupils and children were identified in the interviews:

- they do not constitute a regular stream of pupils;
- they come from different countries;
- they are at different ages;
- they speak little Bulgarian language and there is a need for language lessons;
- it is difficult to determine their level of knowledge needing special attention;
- their parents pay little attention to the children's tuition.

We did not manage to identify to what extent these difficulties may contribute to the invisible costs of accommodating refugee pupils and children. We also do not have information on the Bulgarian language courses. It is likely, however, that they incur significant additional costs. Some interviewees indicated that additional hours spent with refugee primary school pupils by teachers are not remunerated. Consultations with teachers indicate that if a tutor is to meet the highest educational standards he/she must spend one-quarter more

time in order to provide the refugee pupil with the same quality of educational services. Although teachers do not have incentives to do so, the estimated additional costs are likely to amount to BGN 22,400 (USD 12,467).

PASSPORT AND VISA DEPARTMENT COSTS

At the passport and visa department of the Ministry of Interior all documents of the asylum seekers and refugees are updated reflecting the meaning of their status change. The temporary IDs are issued at the AR, but the documents are processed and the information about each person is saved at the passport department, and updated if there is change of address or status. From January 1, 1999 until August 1, 1999, 6,292 asylum-seeker and refugee documents were processed and the total Passport and Visa Department costs were BGN 376 (USD 209). The annual costs could be estimated as BGN 564 (USD 313) (12 months x BGN 47). These costs are estimated on the one-month operator salary basis and the time spent by him/her to process the data. While the status determination procedure is going on, the asylum seekers do not pay any fees for issuing and processing of their IDs.

POLICE SERVICE COSTS

The Chief Directorate of National Police Service (NPS) has no budget for special services related to refugees. If, for instance, the regional police station at Ovcha Kupel provides services requested by the AR (located in the same region), policemen patrol around the neighborhood monitoring the public order. Policemen on duty visit the AR reception center if requested by the AR's own security guard to assist in cases of: fighting, scandals, drunken persons among the asylum seekers, breaking the rules of the center, etc. There were also more serious conflicts, which incur additional, unplanned costs (e.g. there was a case when a fighting party was sent to the reception center in Banya. AR covered all of the transport costs). These costs are difficult to estimate but they must be taken into account as unforeseen ones, the availability of funds for which may prevent unexpected or undesired events.

As Table 5 shows, in the AR budget for 1999 the costs for guard services were 67,585 BGN, and the respective costs at Banya reception center were 46,415 BGN. At the AR this service is provided by a private firm. There was an idea it would be carried out by the NPS, but there hasn't been administrative progress on the issue. Part (it is difficult to identify the amount in concrete terms) of AR's long-term assets are budgeted for security costs thus, probably, reducing the amount time that regional police station officers need to monitor public order at the AR. The chief officer of the NPS pays monthly visits to the AR reception center and makes an inspection of the center in terms of safety.

SOFIA CENTER FOR TEMPORARY DETENTION OF ADULTS⁴

The Center for Temporary Detention of Adults in the Sofia district of Druzhba (which means 'friendship' in Bulgarian) has a special arrest and incarceration structure. Foreign citizens who have no documents or whose documents are forged, as well as those who are criminals, are detained at the Druzhba center. Fugitives detained at the borders are also transported to the center for eventual expulsion.

Upon coming to the Druzhba center the foreign citizens can complete an application to be granted refugee status if they want to apply for it. The application is sent through the Chief Directorate of the NPS to the Agency for Refugees and is filed there. Within a week, AR interviewers visit the asylum seeker. If the foreign citizen fulfills the requirements of the Geneva Convention as being a refugee, he/she is provided with a room at the AR dormitory or with a private apartment. Thus, the AR takes over the responsibility from the Druzhba center.

From January 1 to September 25, 1999, 44 people previously detained at the Druzhba center were registered at the AR as asylum seekers. They spent 915 days at the center altogether. All costs for food, accommodation, medical assistance, and hygienic consumables, etc. were covered by the center's budget.

There is a doctor who comes daily to assist the detainees; there are also two health-officers, two kitchen servants, and seven police officers.

Table 8. Estimated costs Center for the Temporary Detention of Adults

	Costs*	Total costs per month (BGN)
Daily allowance	0.8 BGN per detainee per day x 9 months x 10 detainees = 7,320	811.33

⁴ Interview with the director of the Druzhba Center.

Electricity	1,500 BGN per quarter	500.00
Water and utilities	253 per month	253.00
Transportation	300 BGN for 9 months.	33.33
Maintenance	6,000 BGN per 9 months	66.66
Dry cleaning, washing, hygienic materials.	200 BGN every 6 months	33.33
Medical assistance costs	3 officers	720.00
Paper and pens	30 BGN for 9 months	3.33
Photographs	2.2 BGN x 900 for 9 months	220.00
Telephone bill	10 phone conversations daily (not recorded)	
Salaries	11 officers	2,640.00
Minimum average monthly costs		5,280.98

*All information on costs is based on interviews and indirect sources (e.g. average salaries, etc.)

The estimated annual costs of serving the people detained at the Druzhba center total BGN 63,371.76 (USD 35,206.5).

CASES OF REFUSAL TO GRANT REFUGEE STATUS

In case of refusal to grant refugee status, the asylum seeker has the right to appeal the AR's decision. The appeal should be filed within seven days with the Supreme Administrative Court (SAC). (According to the previous Regulations for Territorial Asylum and Refugees the term was 14 days, so the new regulations provide for a shorter procedure and presumably lower costs.) If the deadline is missed, the asylum seeker has no right to demand a new examination of the AR decision, and the SAC must find the appeal inadmissible.

It is difficult to estimate SAC expenses. The judges are on full-time contracts and they get a fixed salary for the whole of their work. They hear many different kinds of lawsuits, including appeals of AR decisions. There are no statistics on the proportion of refugees cases among all of the cases before the SAC. The approximate salary of a judge is BGN 700-750 (USD 389-417) per month. A public prosecutor at the SAC receives a similar amount. In addition, there are expenses for interpretation during the court hearing, paid for by the budget of the court. This totals approximately BGN 20-30 (USD 11-16) per case. The approximate amount of time spent on asylum-seeker cases by SAC staff for the first sixth months of the year was 11% of the working hours of the judges and prosecutor (82 cases x 2 hours = 164 hours/ 6x 240 working hours).

The AR's costs of such cases are those for the lawyers representing AR – they are on labor contracts and they do not get extra payment – and the evidence presented if needed and available (it is in most cases translated during the refugee status determination procedure). In fact cases of refusal do not add new costs for the AR.

Table 9. Costs of appeals before the SAC

Activities	Total costs for the first 10 months of 1999, in USD	Total costs for the first 10 months of 1999, in BGN
Lawyers' fees	9,840	17,712
Interpreting costs when consulting with lawyer	462 (11 USD per case x 42 cases)	8,316
Evidence costs	2,240 (28 USD per case x 80 cases)	4,032
SAC costs	1,372 (11% x 2,496 sixth-months-salary x 5 judges)	2,470
Interpreting costs in the court	1,760 (22 USD per case x 80 cases)	3,168
Total	15,674	28,213

NGO SERVICES AND FINANCIAL SUPPORT

Refugee-related NGOs (the Bulgarian Red Cross, the Bulgarian Helsinki Committee and the UNHCR Liaison Office) support both government institutions, in their activity of hosting refugees, and the asylum seekers themselves. Each NGO provides services at some stage of the refugee process. Their costs are difficult to

identify with the desirable degree of integrity, because they often use volunteers and in-kind support, for which there is neither a tradition nor a standard for keeping accounts. The key information in this section is based on documentation from the UNHCR, which is the agency that supports most of the non-governmental activities.

Future Foundation

The Future Foundation's staff members transport the asylum seekers from the border checkpoints to the foundation transit centers. From January 1 to October 30, 1999, 229 asylum seekers were served at four foundation transit centers. The future asylum seekers are accommodated for 5-15 days in the transit centers and then are transported to the Agency for Refugees in Sofia to begin the refugee status determination procedure. The foundation's costs are mainly for food, transport, medical assistance and maintaining the transit centers.

Table 10. Future Foundation costs

Activities	Total costs in 1999 in USD	Total costs in BGN
Transportation costs	11,094	19,969
Direct subsistence costs	34,930	62,874
Administrative costs	45,876	82,577
Interpreters	8,000	14,400
Small business loans	12,600	22,680
Total	112,500	202,500

The total costs of accommodating, sheltering, and consulting the asylum seekers at the transit centers are USD 112,500 (BGN 202,500), while the annual average cost per asylum seeker is estimated to be USD 352 (BGN 633). As the foundation's transit centers are located at the borders, it is obvious that transportation costs comprise 10% of the total annual costs.

LEGAL PROTECTION OF ASYLUM SEEKERS AND REFUGEES : THE BHC

The Bulgarian Helsinki Committee helps the asylum seekers via legal assistance, including representation before state bodies, the Agency for Refugees and the Bulgarian Red Cross. The predominant type of legal assistance given has been representation before the AR. BHC lawyers represented 229 asylum seekers during their interviews at the AR during the period of April-October, 1999. Over the same period there were 728 legal consultations, including consultations on asylum procedure, family law, Bulgarian citizenship, refugee status, small business, visa and travel documents. Three refugee women were enrolled in sewing courses under the "Income-generating" project of the BHC. The BHC's 1999 budget for consulting costs was USD 20,064. The specificity of the BHC's activity is that its legal assistance and protection are provided via the expertise of the BHC-Refugees' and Migrants' Protection Services (RMPS) experts. Thus, consultant costs, salaries, and translation costs are to be considered as direct costs on project implementation.

The project's exclusive financial support since the establishment of the RMPS of the BHC remains the United Nation's High Commissioner for Refugees (UNHCR).

Table 11. Bulgarian Helsinki Committee costs

Activities	Annual costs in USD	Annual costs in BGN
Consulting costs	20,064	36,115
Salaries	25,080	45,144
Translation	2,000	3,600
Travel costs	1,800	3,240
Small Business loans	1,200	2,160
Operational costs	23,740	42,732
Total	73,884	132,991

The total number of asylum seekers and refugees served by the BHC/RMS during the first 10 months of 1999 was 960. If we assume that the average number of asylum seekers and refugees served monthly is 96 people, then the average number of refugees consulted annually is about 1,250 people. In 1999 the BHC raised additional funds to the amount of USD 10,000 by publishing a newsletter.

BULGARIAN RED CROSS (BRC)

In 1999, the BRC concentrated on work with recognized refugees and the more vulnerable groups of asylum seekers.

The vulnerable categories of asylum seekers are given additional one-time or periodic financial support, in accordance with the Social Welfare regulations applicable to Bulgarian citizens. The BRC's assistance is geared toward pregnant and lactating women, small children, single-parent families, elderly asylum seekers and refugees, and disabled refugees. The average number of asylum seekers and refugees assisted monthly varies during the year, and we would assume an average number of 400 people.

Recognized refugees receive monthly cash assistance in accordance with a sliding scale, which is calculated on the initial basis of BGN 37.2; one month after receiving their IDs, the refugees receive 20% less, and six months later, 50% less than the basic sum. The total sum for family support costs in the 1999 BRC budget was 36,000 USD. The number of recognized refugees assisted was as follows: 81 persons in January; 81 persons in February; 78 persons in March; 102 persons in April; 84 persons in May; 237 persons in June; and 168 persons in July.

Table 12. BRC costs funded by UNHCR

Activities	Annual Costs in USD	Annual cost in BGN
Transport tickets for recognized refugees	2,250	4,050
Supplementary allowance for refugees	36,000	64,800
Health/ Nutrition	26,700	48,060
Social work services	46,300	83,340
Education	18,360	33,048
Issuing ID	3,600	6,480
Agency operational costs	22,140	39,852
Total costs	155,350	279,630

The BRC has raised funds from non-UNHCR-funded projects, such as: the Summer Camp for Refugee Children with Intensive Bulgarian Language Training, funded by the Spanish Red Cross in the amount of USD 7,426; Assistance in Kind for Recognized Refugees and Asylum Seekers, in the amount of USD 9,296 and Assistance to the Most Vulnerable Refugees, Migrants and Returnees of Bulgarian Origin, in the amount of USD 11,700, both projects financed by the Netherlands Red Cross. There was a donation from the charity foundation TAIBA of 150 food parcels and 150 hygienic parcels, which were distributed among asylum seekers or temporary residents from FR Yugoslavia. The total amount of non-UNHCR funding was in 1999 USD 28,422. The BRC's costs in 1999 were USD 183,772, and the estimated average annual cost per refugee is USD 29 (BGN 52).

LOCAL INTEGRATION OF REFUGEES, A UNHCR PROJECT

The UNHCR supports the governmental authorities and refugee-related NGOs, and the main objective of the 1999 project is to assist them in developing the asylum system and applying it to legally and physically protect asylum seekers, refugees and other persons of concern to the UNHCR in Bulgaria. The Agency for Refugees, the Bulgarian Red Cross, the Bulgarian Helsinki Committee, the Future Foundation and the UNHCR Liaison Office are implementing the 1999 project goals through their programs. Its concrete aims are: to strengthen the operational capacity of the government's refugee status-determination structure, to support NGOs in enhancing their capacity for advocacy and delivery of services, to ensure unhindered access to courts for asylum seekers and refugees, and to assist educational institutions in teaching international refugee and human rights. The border stations, passport police departments, AR structures, courts and refugee-assistance NGOs have been trained in regular workshops and seminars on refugee and asylum issues. In the UNHCR's 1999 budget, training costs totaled about 79,000 USD, the sum including training supplies, the publication of training materials, interpreting and the rental of seminar facilities. The 1999 UNHCR project also included vocational training costs, funds for small business loans, fees for the services of legal experts from the academic sphere, surveys, and translation and publication of legal documentation.

Table 13. UNHCR Liaison Office's 1999 costs

Activities	Total costs in 1999, in BGN	Total costs in USD
Small business loans	36,000	20,000

Refugee legal protection	131,368	72,982
Agency operational costs	28,458	15,810
Total	195,826	108,792

In 1999 the UNHCR's financial assistance to the Agency for Refugees went toward the rental of houses for asylum seekers, food allowances, running the medical center at the AR and maintenance of the Reception Center in Banya.

Table 14. AR costs funded by UNHCR

Activities at AR supported by UNHCR funds in 1999	Costs in USD
1. Transportation for asylum seekers living outside Sofia.	1,500
2. Rental of houses for asylum seekers	70,200
3. Food allowances for asylum seekers	42,000
4. Running the medical center at AR	6,000
5. Medicines and medical assistance	5,000
6. Maintenance and supplies for Reception Center in Banya	20,000
7. Fuel, maintenance, insurance for AR minibus	6,996
Total costs	151,696

The UNHCR's financial assistance to the AR in 1997 and 1998 was earmarked for food for babies, renting houses, medical services, Reception Center refurbishment, upgrading the computer network, fees for the vocational training of asylum seekers and refugees and the local integration of refugee women. In fact, the UNHCR helped the AR at the stages of serving asylum seekers that were the most urgent in that period. The total costs presented in table 14 total 50% of the AR's direct services budget for 1999.

The UNHCR's financial assistance to NGOs and the AR in 1999 totaled USD 602,222, with the breakdown by different organizations as follows:

- BHC: USD 73,884;
- BRC: USD 155,350;
- FF: USD 112,500;
- AR: USD 151,696.

REFUGEE COSTS

Costs borne by the refugees themselves can be distinguished as formal costs and informal costs. Refugee interview data reveals that some refugees and asylum seekers incur expenses of their own in entering into the country, registration at the AR and in being granted refugee status, and these are informal costs. The refugees' formal costs are monthly subsistence costs, such as telephone costs and rent costs.

Table 15. Refugees' formal annual costs

	Annual costs per refugee, in BGN	Annual costs per refugee, in USD
Subsistence costs	4,320 (360 x 12)	2,400 (200 x 12)
Telephone call costs	1,200 (100 x 12)	672 (56 x 12)
Housing costs	1,440 (BGN 120 x 12)	804 (USD 67 x 12)
Total costs	6,960	3,876

The total annual formal costs per refugee were BGN 6,960 (USD 3,876), and the total of refugees' annual costs was BGN 6,960,000 (USD 3,876,000), assuming that the approximate number of asylum seekers is 1,000.

Table 16. Refugees' informal costs

	Costs per refugee, in USD	Costs per refugee, in BGN
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Entry costs	200	360
Registration costs	150	270
Being granted refugee status	1,500	2,700
Rent cost	67	120
Total costs	1,917	3,450

Costs to Other Government Institutions

Under the implemented refugee regulations, border officers must be trained to serve asylum seekers. The costs of training border officers at the Institute for Officer Training and Research at the Ministry of Interior (Police Academy) are shown in the table below.

Table 17. Training costs

Year	Number of trainees	Groups	Costs for one group of trainees	Total costs, in BGN
1998/1999	41 Cadets	2	3,960	7,920
	300 Listeners	12	3,960	47,520
	Preparing the table		300	
	Total costs			55,740

In 1999 the Police Academy's training costs totaled BGN 55,740 (USD 30,967).

As a result of the Kosovo crisis, the National Service of Border Police (NSBP) incurred costs by preparing to accept and serve the eventual asylum seeker influx. From March 23 until May 28, 1999, the total costs to the NSBP were BGN 91,869.232 (USD 51,038); these costs were for:

- office trips: 14,557.670 BGN;
- fuel and oil: 32,978.081 BGN;
- administrative costs: 5,831.643 BGN;
- staff food: 15,147.09 BGN;
- support materials: 1,287 BGN;
- army equipment and repairs: 693 BGN;
- communication sources: 5,001.970 BGN;
- spare parts: 14,661.778 BGN.

EMPLOYMENT AND SOCIAL INTEGRATION OF ASYLUM SEEKERS

Refugee flows have not only an economic and a social, but also a financial, aspect at each stage of a refugee's stay in the country, including the stages of employment and social integration.

The present analysis will concentrate upon the specific costs necessary for refugee employment and social integration, as far as it is possible to separate these costs from the total costs for accepting refugees in the country, including the opening of a refugee status determination procedure and the granting or refusal of such status.

As mentioned before, the following costs have been specified on the basis of tracking refugees' movements after crossing the Bulgarian border:

- Registration as a refugee
- Opening a procedure for granting refugee status
- Granting or refusal of refugee status

There are different implications for the integration process, whatever the outcome of the procedure, for those who choose to stay in the country, legally or illegally.

Employment integration of refugees

The first steps mentioned in the preceding item seem unable to clearly outline the need to meet costs for employment and social integration, in as far as the process up to the moment of registration of foreign citizens as refugees stays "in the dark" and is quite individual. It is possible for a person to have stayed illegally in the country for some time before officially applying for refugee status. Meanwhile, they may have worked illegally if not in possession of their own funds. Obviously, in these cases the state cannot and does not provide

for them. It is hard to estimate these types of costs. In fact, there is lack of motivation for employment and social integration in the country on the part of the individuals in question, since they often cross the Bulgarian border on a transit basis on route to other Central European countries. There are two types of costs deriving from the existing legal procedures associated with the post-registration period, before receiving formal approval of refugee status and afterwards.

Motivation for employment integration

Within the refugee status determination procedure, the problems of employment and social integration, with the entailing costs, seem easier to outline more clearly.

The motivation for employment and social integration is closely related with the necessity to provide a means of living. The variety of individual cases can be grouped as follows:

- Individuals intending to study in Bulgaria;
- Individuals intending to go on their way as refugees, only waiting here until they are granted refugee status, with a view to ensuring their legal travel to Central and Western European countries;
- Individuals intending to stay permanently in Bulgaria, who have already been in the country or have relatives here.

The variety of motivations for coming to Bulgaria and of future intentions shows that part of the refugees consider employment and social integration not to be essential, since their intentions to stay in the country are rather indefinite. Hence, their attitude toward the possibilities for employment and social integration will be different from that of people intending to settle permanently in the country. As far as motivation and intentions are associated with personal decisions and are not liable to legal classifications, the costs should be considered uniform for all cases. In this respect, part of the state's costs for the employment and social integration of refugees is not economically justifiable. For another part of the refugees, the funds provided by the state for their employment and social integration are of essential importance, which may even predetermine some of their actions in the future.

Employment integration costs

During the period of the procedure for granting refugee status, the need for employment integration is very pronounced, since the individuals have minimal social insurance. In most cases when refugees lack their own funds for covering their living expenses or supplementing the state assistance, the individuals engage in labor activity. Since there are no precise legal regulations stating the possibilities for finding jobs through specialized institutions, at this stage refugees are used to working illegally.

Possibilities for labor activities:

1. Employment in the shadow economy – basic area of labor activities

The labor activities of a considerable part of refugees undergoing the procedure are of a shady character. Most of them work in the Iliyantzi marketplace near Sofia, integrating into trade structures set up by foreign citizens or legally-approved refugees. The costs for exercising this type of labor activity are difficult to estimate.

2. Running own business:

- Refugees who organize businesses on their own: a number of refugees have graduated from schools in the country, and they use their former contacts and knowledge to risk self-employment and prosper on their own. In these cases the government does not bear any costs, while society benefits.
- Refugees who receive financial support from UNHCR-sponsored programs to start a small enterprise: there have been 39 beneficiaries of such grants/loans, recognized refugees who received take-off support to start their own businesses.

People with refugee status on the labor market

As soon as refugee status has been granted, foreign citizens have equal rights with Bulgarian citizens, as far as labor issues are concerned. Their employment and legal relations are regulated by the existing labor legislation in the country.

Under the conditions of a market economy the refugees, like all Bulgarian citizens, have to search for and find jobs on their own. There are many difficulties to face, and they are very much the same for all people, as long as the labor supply is rather limited in an economy in stagnation. People with refugee status encounter even

greater difficulties, and we would go too far if we claimed that they are equally placed in the labor market. This is due to several factors:

- As foreigners they have to grapple with the language barrier and the original lack of a social network to rely on;
- The possibilities for receiving the support of relatives and friends in a job search are smaller in comparison with those of most Bulgarian citizens, taking into account that operating through relatives and friends is a common practice in the country;
- These people have no accumulated local employment experience, and while other conditions are more or less the same, Bulgarian employers would prefer their future employees to have relevant local experience and good knowledge of existing institutional relations.

Hence, however equal vis-à-vis the law, recognized refugees may be considered as one of the marginal groups on the labor market. They should be supported and encouraged through specialized programs or general refugee policies for their employment integration.

Refugees and regional labor bureaus (RLB)

Asylum seekers have no legal grounds to interact with the labor bureaus and apply for jobs. That means that while the asylum seekers are undergoing the refugee status determination procedure the RLBs do not incur any costs serving them, nor finding jobs for them or enrolling them in training courses. The labor bureaus only serve recognized refugees. Between January 1, 1998 and June 1999, 32 refugee-status grantees were served at the regional labor bureaus.

In 1998, 26 refugees were registered at RLBs. This totaled 0.006% of all registered unemployed people.

In the first half of 1999, six refugees were registered, and this was 0.0012% of all registered unemployed people for that period.

According to the National Employment Service (NES) database, the administrative costs of serving one unemployed person in 1998 and 1999 were BGN 39 (USD 22) and BGN 17 (USD 9.4), respectively.⁵

The total cost for the two-year period of services to unemployed refugees was BGN 1,690 (or USD 819.4, at the current exchange rate); for 1998 the total was BGN 1,262 (USD 717 at 1998's average exchange rate) and for 1999 the total was BGN 428 (USD 238).⁶

Table 18. RLB costs

	1998	1999
Total costs of serving unemployed people at the labor bureaus, not including the administrative costs of the National Employment Service	18,347,932 BGN	8,536,247 BGN
Number of unemployed people	466,493	498,979
Administrative costs per unemployed person	39 BGN	17 BGN

According to interviews with RLB officials, refugees have been isolated from the employment system. NES policy is geared toward overcoming long-term unemployment. Programs of temporary employment have been realized for some concrete groups, such as: long-term unemployed (more than one year), young people without work experience, young people with less labor efficiency, and orphans, but these programs do not include refugees. It seems it is necessary to create programs in the labor bureaus for refugee employment.

Comments on the information compiled from interviews

For the period of 1998-1999, the number of registered unemployed refugees was 32 persons, 26 persons in 1998 and six 1999, 66% of them male. These refugees have been registered on the basis of short-term unemployment, i.e. for a period up to one year. Among them the share of people with basic or secondary education is about 40%, and these are mainly female. This fact directs our attention to developing relevant programs for the employment integration of unemployed female refugees with low education levels, or educating them further and training them for appropriate work activities. The motivation for registering them

⁵ The difference in the costs for the two years is due to the fact that the labor bureau budget is confirmed at the end of the third quarter, while there are spent sources equal to 1/12 of the costs of the previous year.

⁶ For those bureaus where we have no data, we take the base administrative costs of BGN 40 in 1998.

as unemployed should be made clear in advance, since the main purpose of this registration might be just to get access to social assistance (social assistance is available if a person has been registered in the labor bureaus).

The expenses for serving a refugee that are borne by the state, or more precisely by the employment offices within the Professional Qualification and Unemployment Fund, are of the same amount as for each unemployed Bulgarian in the country. There were three job placements of refugees on the initiative of the unemployment offices over the period mentioned. This amounts to 10% of all of those registered, which can be viewed as a comparatively positive ratio as related to the whole group of unemployed people in the country. No registered refugees have been reported to have taken part in active employment programs, training or retraining courses.

The activities of the government institutions for refugee employment and integration must be reflected as follows:

- The AR plays a key role in working with refugees, including for their employment and social integration. It has developed a program for vocational training and labor fulfillment, financed via a joint project with the UNHCR.
- In 1996 a project was implemented in Bulgaria to set up an Integration Center for Refugees in Bulgaria. As a first stage, in 1997, the Female Refugee Integration Center was established. Its main functions have been targeted at social, professional, educational, psychological and health counseling. In the center a children's play-and-study room and a community club have been opened. There are several specialized training units in the center, where female refugees are trained in computer skills, hairdressing, beauty saloon skills, typewriting, dressmaking, applied arts, etc. The skills acquired may be used later for developing small businesses or future employment.
- A number of other organizations deal with refugee employment and social integration issues, but mediation and support on the part of the UNHCR and the AR are of vital importance for all programs.
- The effectiveness of costs spent on refugees' employment and social integration cannot be estimated separately, since these costs are part of the total costs of the projects. At the same time, these costs represent a considerable share in the total projects budget. For example, in the Local Integration of Female Refugees in Bulgaria Project (1998), the costs for trainers' fees total one-third of the total project budget.
- In 1997, the costs of the credit program for small businesses amounted to USD 8,000, which is twice the amount granted to businesses themselves. These costs represent about 10% of the total budget, and together with the training costs, amounted to 5% of the total costs for the year.
- In 1998 the costs of the program for crediting the development of small business in Plovdiv amounted to USD 1,800. Together with the project costs for support for the economic activities of female refugees and credits for small business support, amounting to a total of USD 27,800, these costs represented about 2% of total budget for the year.
- For 1999, vocational training course costs amounted to USD 10,000, and the funds in support of small business totaled USD 12,600. The proportion of these costs in the 1999 budget amounted to approximately 2%.

SOCIAL INTEGRATION OF REFUGEES

Motivation and costs for social integration of people undergoing the refugee status determination procedure

Legal regulations set the amount of aid to every individual undergoing the refugee status determination procedure at BGN 35 (USD 19) per month. These allowances are minimal and cannot cover even the most basic living necessities. In addition, the state provides or rents lodgings for them, but it could be hardly claimed that normal living conditions are provided. During the same period state funds are provided for training in the Bulgarian language, as well as for medical services.

People undergoing the procedure for granting refugee status are entitled to a single social assistance allowance, under the form of aid in cash or in products. These allowances are targeted to cover the most urgent needs of families with many members or families with chronically ill members, and the needs of children, pregnant women and lactating mothers. The allowance is delivered by the AR on the basis of the refugees' application for assistance and the agency's social survey data.

Table 19. Assistance to asylum seekers

Year	Social assistance in cash – number of aid allowances	Assistance in products – number of aid allowances
1995	338	136

1996	43	397
1997	620	399
1998	165	187
1999 (Jan.-Aug.)	86	264

Motivation and costs for social integration

As soon as foreign citizens are granted refugee status they have equal rights with Bulgarian citizens in relation to social assistance, as provided for in the Social Assistance Act (SAA) and the Decree for Birth Encouragement (DBE). The municipality social assistance services are in charge of providing social assistance to individuals having refugee status. As mentioned above, the system of social assistance in Bulgaria is in the process of reform. One of the aspects of this reform includes enforcing precise criteria for access to the services of social assistance and support for socially vulnerable people. At the same time, the pressure on the system is rather high due to the dramatic impoverishment of the majority of Bulgarians during the transition period. Under the circumstances, refugees who have already acquired asylum status are legally on equal terms with all Bulgarian citizens; still, in practice they receive social assistance or access to social services only after meeting rather restrictive criteria.

Table 20. Social assistance costs for refugees, as per Regulation for Applying the Social Assistance Act (RASAA) and Decree for Birth Encouragement (DBE)

Year	Number of RASAA cases	Type of family (members)	Total amount in BGN, according to RASAA	Number of DBE cases	Type of family	Total amount BGN, according to DBE
1996	1	1 member	314.000	-	-	-
1997	4	1 - 1 member 1 - 4 members 1 - 5 members 1 - more than 5	424.026	3 cases	1 - 4 members 1 - 5 members 1 - more than 5	185.717
1998	23	4 - 1 member 3 - 3 members 7 - 4 members 5 - 5 members 4 - more than 5	1,776.629	2 cases	1 - 5 members 1 - more than 5	274.190
1999	10	3 - 1 member 2 - 2 members 1 - 3 members 1 - more than 5	1,859.860	1 case	5 members	68.735

TOTAL COSTS

Summarizing all of the data collected by all governmental and non-governmental institutions, we can estimate the total refugee-related costs for 1999.

Table 21. Total costs of hosting asylum seekers and refugees.

Institutions	Total costs in BGN in 1999	Total costs in USD in 1999
Border police:		
Petritch	50,000	27,778
Lubimetz	12,000	6,667
Rousse	1,500	834
Varna	12,000	6,667
Sofia	600	333
Agency for Refugees (AR) (incl.	1,690,154	938,975

Banya reception center costs)		
Hospitals	88,061	48,923
Education	53,221	29,567
SAC costs (excl. BHC lawyer's fees)	10,501	5,834
Passport and Visa department	564	313
Druzhba Center	63,372	35,207
Regional Labor Bureau	428	238
Social Services	1,929	1,072
Training costs	55,741	30,967
National Service of Border Police	91,869	51,038
Future Foundation	202,500	112,500
Bulg. Helsinki Committee (BHC)	150,991	83,884
Bulg. Red Cross (BRC)	330,790	183,772
UNHCR funding of AR	273,053	151,696
UNHCR Liaison Office	195,826	108,792
Refugees' own annual costs	6,960,000	3,866,667
Total	10,234,599	5,685,888

The estimated total costs for 1999 were BGN 10,234,599, or USD 5,685,888. These costs equal 0.04% of 1999's estimated GDP. The government does not fully support the refugees. External donor assistance amounts to approximately 11% of the total costs of hosting refugees and asylum seekers. If our calculations are correct, the self-financing of refugees totals USD 3,866,667, or 68 % of the total costs.

CONCLUSIONS, CHALLENGES AND POLICY OPTIONS

Challenges

It is normal that population movements in an integrated world should increase. To the extent that Bulgaria integrates itself with the EU, or simply because of its geographic predisposition, it is becoming an immigrant destination. Related to this there are democratic and economic developments, posing at least the following new challenges:

- further liberalization, respect for human rights, higher democratic standards, enhanced implementation of international obligations and sustained openness of the economy are required, but while economic activities are essentially of international, or even global nature, social welfare system and commitments undertaken via international agreements (financed by taxes) are based on national jurisdictions;
- in 1999 and 2000, Bulgaria is to completely liberalize its capital account, which in pragmatic terms would allow citizens, including those granted asylum status, to open bank accounts and transfer funds abroad; these developments would contribute to the attractiveness of the country as an immigrant destination but also would facilitate its position as a transit point;
- being a community of the highest living standards and of a social security-based welfare system, the European Union is a territory of almost complete liberty of capital and population (labor) flows within its boundaries, and of severely restricted migration from outside the union; the political rhetoric supporting this restrictive policy uses as its arguments two 'sacred cows' – employment stability and preventing imported crime;
- as an EU accession country, Bulgaria attracts people from the more vulnerable regions of Central Asia and elsewhere, but due to its own low living standards, legacies of the past and problems intrinsic to the transition process (contraction of investment and GDP, dismantling of the Socialist welfare system, weak contract enforcement and public order mechanisms, etc.), it is subject to EU restrictions on human capital flows and is expected to maintain similar protectionist measures toward human influxes from outside the larger integrated Europe;
- at the same time, in this situation no internal refugee policy can prevent the influx of people, whether the final destination is Bulgaria, a neighboring country or the EU itself, as no policy can isolate the country without dragging its economic and prosperity prospects to the worst years of the recent or more remote past; the policy challenge is rather to involve the newcomers to Bulgarian society in a joint pursuit of growth and prosperity.

Conclusions

The main conclusion to be drawn is that the country (or the state budget) is not a net contributor to refugee accommodation costs. The estimated total 1999 costs in BGN is 10,234,599, or USD 5,685,888. These costs are 0.046% of the estimated 1999 GDP. The government does not fully support refugees. External donor assistance amounts to approximately 11% of the total costs of hosting refugees and asylum seekers. If our calculations are correct, the level of self-financing of refugees is USD 3,866,667, or 68% of the total costs.

Our findings related to AR costs suggest that the future of AR development must be channeled toward reducing the duration of the refugee status determination procedure. According to the RL, Article.56, the procedure should last three months, or in some cases, the AR Chairman can prolong the procedure for an additional three months. This actually means that the number of asylum seekers undergoing the procedure cannot exceed the number of newly arrived asylum seekers in the last six months. Of course, we must also bear in mind the amount of time needed for the procedure of appeal at the SAC, which does not depend on the AR. The appeal procedure is also prolonged, and this fact entails additional government, refugees' own, UNHCR and NGO costs for supporting those asylum seekers who are still undergoing the procedure. Cutting down the appeal deadline in accordance with the RL would curtail all these costs. As the number of refusals to grant refugee status account for 7% of all registered applications, according the recent practice, the whole appeal procedure is completed within 18 months.

The refugee integration and social adaptation issues can be analyzed according to different aspects, such as: the rate of openness of the local labor market to the foreign labor force and the expected impact on labor market equilibrium; government costs of integration of the foreign labor force; costs of integration of foreigners and the related problems. During the years of transition, the local labor market has experienced serious cuts in labor supply and demand for local work force. The level of unemployment in Bulgaria has not dropped below 10%. The restructuring of the economy brought about a change in employers' attitude toward the qualifications of the local work force. People with secondary school and higher education constitute a considerable share of newly-unemployed people. There has been a sharp drop in job openings for professions with traditionally high ratings, such as engineers, economists, doctors, teachers, etc. The situation now is the following: the demand for labor with higher and secondary education is rather limited, as seen from the labor demand lists of the NES's monthly registers. Refugees may offer skills which are already abundant on the supply side. This situation has been well recognized by the refugees themselves. In interviews they share that job seeking is basically very difficult in Bulgaria. The limited information we have on refugees who become successful entrepreneurs suggests that their contribution to the economy is based on diversity rather than on advantages in general skills. Labor market liberalization and the reduction of the entry barriers for doing business constitute a prerequisite for enhanced utilization of domestic and 'imported' (refugee) entrepreneurship. Under similar conditions, refugees may contribute to lower prices for unskilled labor.

At the same time, the refugee issue in Bulgaria does not constitute a serious problem for the social sector or the labor market. It is likely that the situation would be similar in any other country that is not affected by an extraordinary refugee wave and, like Bulgaria, has an intermediary position between regions that are vulnerable in economic and security terms and regions that offer abundant economic opportunities.

The system of labor market and social assistance has the capacity to receive the refugee influx within the framework of the standard services provided by the state as means of assistance and programs for employment and social integration. The costs for the employment and social integration of refugees as a relative share of the total budget costs did not represent a significant part of the total costs for the last three years – it has barely reached 5% of the total budget. This is indicative that other activities regarding refugee services make up most of the costs. Administrative costs that are part of the overall budget have to be considered, too. Activities aiming at employment and integration during the refugee status determination procedure are very limited. The period is rather long, sometimes up to five years or even more. Meanwhile, these people cannot work legally, according to local legislation. Thus, they are denied the alternatives of work force choice and have to join the shadow economy. At the same time, procedural efficiency was improving rapidly in 1999.

The number of refugees in Bulgaria seems not to contribute significantly to the poverty rate. Official agencies do not measure it. They determine the minimum wage and eligibility for social assistance line, which for the last five years has been kept at the level of 50% of the minimum wage, which is currently about USD 37 per month. This is the systemic foundation for determining refugee allowances, as well. According to this criterion, no more than 4.07% of Bulgarian households were below the poverty line in 1997. The most authoritative data on this issue is provided by the World Bank survey on Bulgarian Poverty During the Transition, published in June 1999. In this survey, poverty is defined as a percentage of average per capita

consumption, at two levels: a lower poverty line at 50% of average consumption and a higher poverty line at 66.7% of average per capita consumption. The survey estimates that under the higher poverty line, the proportion of population in poverty rose from 5.5% (approximately 450,000 people) to 36% (approximately 3 million people) in 1997 alone. During the same period the proportion under the lower poverty rate grew from 2.9% to 20.2%. The inconsistency of the data does not allow for compilation of the poverty rate prior to 1995. The major reason for increased poverty was the decline in consumption and GDP, which was 10.0% in 1996 and 6.9% in 1997. Respectively, better economic performance would cure poverty better than a policy based on increased income inequality. According to the methodology of FAO and WHO (using calories of consumption), between 23.9% and 34.7% of Bulgarian households were below the poverty line in the most severe year, 1997. According to the methodology of the Bulgarian Ministry of Labor, based on assumed norms of calories of consumption, square meters of flat and consumer basket items, and used in 1997 to determine two poverty criteria, 52.9% to 84.1% of Bulgarian households were living in poverty that year. Most of the estimates suggest that female-headed households have higher poverty rates male-headed households. The above-mentioned World Bank survey estimates that the ratio here is 40.4 female- to 35.4 male-headed households (median for 1995-1997).

From the same survey there are several more thought-provoking findings. The generational group exposed to the highest poverty risk is children; while they represent 21.05% of the population, their poverty rate is 44.26%. The older generation, i.e. over 55 years of age, has a poverty rate of 35.32%, while they constituted 29.65% of the total population in 1997. Bulgarian Turks (8.5% of the population in 1997) had a 40% poverty rate, while 84% of the Roma in the country (6.5% of the population) were in the same condition that same year. There is no consistent survey of the poverty rate on an annual basis. Given the fact that minorities are more exposed to poverty risks, it is likely that refugees share such risks at a level similar to these groups.

The social integration of asylum seekers has been limited to providing minimal means of living. Besides language education and sporadic attempts to associate foreign citizens with local communities, the overall support basis for adjustment needs is negligible. This is one of the reasons why even after being granted refugee status, people continue to have serious social integration problems, since the existing social assistance system is rather insufficiently developed and is incapable of offering different schemes for social integration to both the 'domestic' poor and socially weak refugees.

General Policy Options

If the refugee status determination procedure is shortened or put under some more clear time limits, the resources freed from those procedural-related costs could be allocated to social adaptation and integration activities, or channeled toward building up administrative capacity.

The AR staff, first of all, is occupied with both the refugee status determination procedure and the social and everyday necessities of asylum seekers. Under the conditions of shortened procedure time (three months), the asylum seekers might end up in a social vacuum. So far, during the refugee status determination procedure the asylum seekers have managed to learn the Bulgarian language, get acquainted with the local culture and life, and plan their future economic activities. A three-month procedure term is too short for a person who is in a country for the first time, does not speak the local language, and whose views are far from the culture and life of the local population. The integration of recognized refugees is the major issue which will draw more and more attention from refugee-related professionals and institutions. Due to different institution-building priorities, refugee employment and social adaptation prospects have not been analyzed in any detail.

As soon as individuals acquire refugee status, their employment integration level does not differ from that of Bulgarian citizens. At this stage of labor market development, this implies rather limited chances of obtaining employment and rather meager services for job seeking and job placement on the part of local employment offices. Despite equality before the law, there are a number of conditions which place refugees in a difficult position in relation to employment possibilities. Hence refugees should either be covered by specially earmarked employment/integration programs or "left on their own".

The policy option here is based on the following circumstances: due to different reasons, it is likely that many, at least two-thirds, of the refugees in Bulgaria choose to go the informal route. Targeted employment programs have not been sufficient at larger than refugee scales. Both refugees and non-refugees would benefit more from liberalized labor market rules than from employment programs that are limited in number and poorly tailored. "Leaving refugees on their own" would then rather mean:

- clear and unquestionable terms of procedure;
- clear subsistence terms;

- allocation of scarce resource to adaptation needs, not to fancy employment programs;
- clear limits on government involvement and liberty for non-governmental organizations to come in between.

With a view to better understanding and management of refugees' impact on the host country's economic situation, employment and social integration, it is essential to carry out regular monitoring of the situation. This monitoring must be initiated by the AR and be realized through the employment office network and the National Statistical Institute in Bulgaria, in cooperation with international and non-governmental organizations.

Employment and Integration Policy Option

Most of the data suggest that the liberalization of the labor market, the priority allocation of resources to adjustment activities, and the adoption of policies based on "leaving refugees on their own" could make a difference.